



QUARTERLY STATEMENT
AS OF SEPTEMBER 30, 2016
OF THE CONDITION AND AFFAIRS OF THE
TOTAL HEALTH CARE USA, INC.

NAIC Group Code	1238 (Current Period)	1238 (Prior Period)	NAIC Company Code	12326	Employer's ID Number	38-3240485
Organized under the Laws of	Michigan		State of Domicile or Port of Entry	Michigan		
Country of Domicile	United States of America					
Licensed as business type:	Life, Accident & Health[] Dental Service Corporation[] Other[]		Property/Casualty[] Vision Service Corporation[] Is HMO Federally Qualified? Yes[] No[X] N/A[]		Hospital, Medical & Dental Service or Indemnity[] Health Maintenance Organization[X]	
Incorporated/Organized	02/18/1994		Commenced Business	02/18/1994		
Statutory Home Office	3011 W. GRAND BLVD., SUITE 1600 (Street and Number)		DETROIT, MI, US 48202 (City or Town, State, Country and Zip Code)			
Main Administrative Office	3011 W. GRAND BLVD., SUITE 1600 (Street and Number)		DETROIT, MI, US 48202 (City or Town, State, Country and Zip Code)			
Mail Address	3011 W. GRAND BLVD., SUITE 1600 (Street and Number or P.O. Box)		DETROIT, MI, US 48202 (City or Town, State, Country and Zip Code)			
Primary Location of Books and Records	DETROIT, MI, US 48202 (City or Town, State, Country and Zip Code)		(313)871-2000 (Area Code) (Telephone Number)			
Internet Web Site Address	THCMI.COM		(313)871-2000 (Area Code) (Telephone Number)			
Statutory Statement Contact	NICOLE ROUSH, CFO (Name)		(313)871-6402 (Area Code)(Telephone Number)(Extension)			
	NROUSH@THCMI.COM (E-Mail Address)		(313)871-4762 (Fax Number)			

OFFICERS

Name	Title
RANDY NAROWITZ	EXECUTIVE DIRECTOR
GERTRUDE HELEN MINKIEWICZ	V-CHAIRPERSON/SECRETARY
DOUGLAS PAUL BAKER	CHAIRPERSON/TREASURER
ROBYN JAMES ARRINGTON JR., M.D.	MEDICAL DIRECTOR

OTHERS

DIRECTORS OR TRUSTEES

DOUGLAS PAUL BAKER
GERTRUDE HELEN MINKIEWICZ
RUBY OCTAVIA COLE

State of Michigan
County of WAYNE ss

The officers of this reporting entity, being duly sworn, each depose and say that they are the described officers of said reporting entity, and that on the reporting period stated above, all of the herein described assets were the absolute property of the said reporting entity, free and clear from any liens or claims thereon, except as herein stated, and that this statement, together with related exhibits, schedules and explanations therein contained, annexed or referred to, is a full and true statement of all the assets and liabilities and of the condition and affairs of the said reporting entity as of the reporting period stated above, and of its income and deductions therefrom for the period ended, and have been completed in accordance with the NAIC Annual Statement Instructions and Accounting Practices and Procedures manual except to the extent that: (1) state law may differ; or, (2) that state rules or regulations require differences in reporting not related to accounting practices and procedures, according to the best of their information, knowledge and belief, respectively. Furthermore, the scope of this attestation by the described officers also includes the related corresponding electronic filing with the NAIC, when required, that is an exact copy (except for formatting differences due to electronic filing) of the enclosed statement. The electronic filing may be requested by various regulators in lieu of or in addition to the enclosed statement.

(Signature) RANDY NAROWITZ (Printed Name) 1. EXECUTIVE DIRECTOR (Title)	(Signature) NICOLE ROUSH (Printed Name) 2. CHIEF FINANCIAL OFFICER (Title)	(Signature) DOUGLAS PAUL BAKER (Printed Name) 3. CHAIRPERSON/TREASURER (Title)
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Subscribed and sworn to before me this day of , 2016 (Notary Public Signature)	a. Is this an original filing? b. If no, 1. State the amendment number 2. Date filed 3. Number of pages attached	Yes[X] No[]
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ASSETS

		Current Statement Date			4
		1	2	3	
		Assets	Nonadmitted Assets	Net Admitted Assets (Cols. 1 - 2)	December 31 Prior Year Net Admitted Assets
1.	Bonds	1,002,621		1,002,621	996,479
2.	Stocks:				
2.1	Preferred stocks				
2.2	Common stocks				
3.	Mortgage loans on real estate:				
3.1	First liens				
3.2	Other than first liens				
4.	Real estate:				
4.1	Properties occupied by the company (less \$.....0 encumbrances)				
4.2	Properties held for the production of income (less \$.....0 encumbrances)				
4.3	Properties held for sale (less \$.....0 encumbrances)				
5.	Cash (\$.....48,234,198), cash equivalents (\$.....0) and short-term investments (\$.....305,861)	48,540,059		48,540,059	48,046,997
6.	Contract loans (including \$.....0 premium notes)				
7.	Derivatives				
8.	Other invested assets				
9.	Receivables for securities				
10.	Securities lending reinvested collateral assets				
11.	Aggregate write-ins for invested assets				
12.	Subtotals, cash and invested assets (Lines 1 to 11)	49,542,680		49,542,680	49,043,476
13.	Title plants less \$.....0 charged off (for Title insurers only)				
14.	Investment income due and accrued	33,087		33,087	35,850
15.	Premiums and considerations:				
15.1	Uncollected premiums and agents' balances in the course of collection	988,385		988,385	1,443,942
15.2	Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$.....0 earned but unbilled premiums)				
15.3	Accrued retrospective premiums (\$.....0) and contracts subject to redetermination (\$.....1,423,978)	1,423,978		1,423,978	
16.	Reinsurance:				
16.1	Amounts recoverable from reinsurers	1,022,258		1,022,258	1,903,322
16.2	Funds held by or deposited with reinsured companies				
16.3	Other amounts receivable under reinsurance contracts				
17.	Amounts receivable relating to uninsured plans				
18.1	Current federal and foreign income tax recoverable and interest thereon				
18.2	Net deferred tax asset				
19.	Guaranty funds receivable or on deposit				
20.	Electronic data processing equipment and software				
21.	Furniture and equipment, including health care delivery assets (\$.....0)				
22.	Net adjustments in assets and liabilities due to foreign exchange rates				
23.	Receivables from parent, subsidiaries and affiliates				12,841
24.	Health care (\$.....1,140,310) and other amounts receivable	1,700,239	559,929	1,140,310	1,066,156
25.	Aggregate write-ins for other-than-invested assets	524,039	425,029	99,010	461
26.	TOTAL assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	55,234,666	984,958	54,249,708	53,506,048
27.	From Separate Accounts, Segregated Accounts and Protected Cell Accounts				
28.	TOTAL (Lines 26 and 27)	55,234,666	984,958	54,249,708	53,506,048
DETAILS OF WRITE-INS					
1101.	.....			
1102.	.....			
1103.	.....			
1198.	Summary of remaining write-ins for Line 11 from overflow page				
1199.	TOTALS (Lines 1101 through 1103 plus 1198) (Line 11 above)				
2501.	Prepaid	154,564	154,564		
2502.	AR - Other	99,010		99,010	461
2503.	Deferred PPACA Fees	270,465	270,465		
2598.	Summary of remaining write-ins for Line 25 from overflow page				
2599.	TOTALS (Lines 2501 through 2503 plus 2598) (Line 25 above)	524,039	425,029	99,010	461

LIABILITIES, CAPITAL AND SURPLUS

		Current Period			Prior Year
		1 Covered	2 Uncovered	3 Total	4 Total
1.	Claims unpaid (less \$.00 reinsurance ceded)	15,183,781		15,183,781	16,306,618
2.	Accrued medical incentive pool and bonus amounts	308,012		308,012	178,932
3.	Unpaid claims adjustment expenses	246,592		246,592	232,738
4.	Aggregate health policy reserves, including the liability of \$.970,808 for medical loss ratio rebate per the Public Health Service Act	4,602,540		4,602,540	6,339,050
5.	Aggregate life policy reserves				
6.	Property/casualty unearned premium reserve				
7.	Aggregate health claim reserves				
8.	Premiums received in advance	3,770,620		3,770,620	4,494,143
9.	General expenses due or accrued	1,235,276		1,235,276	1,360,268
10.1	Current federal and foreign income tax payable and interest thereon (including \$.00 on realized gains (losses))				
10.2	Net deferred tax liability				
11.	Ceded reinsurance premiums payable				
12.	Amounts withheld or retained for the account of others				
13.	Remittances and items not allocated	67,857		67,857	1,155,074
14.	Borrowed money (including \$.00 current) and interest thereon \$.00 (including \$.00 current)				
15.	Amounts due to parent, subsidiaries and affiliates				
16.	Derivatives				
17.	Payable for securities				
18.	Payable for securities lending				
19.	Funds held under reinsurance treaties with (\$.00 authorized reinsurers, \$.00 unauthorized reinsurers and \$.00 certified reinsurers)				
20.	Reinsurance in unauthorized and certified (\$.00) companies				
21.	Net adjustments in assets and liabilities due to foreign exchange rates				
22.	Liability for amounts held under uninsured plans				
23.	Aggregate write-ins for other liabilities (including \$.00 current)				
24.	Total liabilities (Lines 1 to 23)	25,414,678		25,414,678	30,066,823
25.	Aggregate write-ins for special surplus funds	X X X	X X X		1,295,335
26.	Common capital stock	X X X	X X X		
27.	Preferred capital stock	X X X	X X X		
28.	Gross paid in and contributed surplus	X X X	X X X	6,273,089	6,273,089
29.	Surplus notes	X X X	X X X		
30.	Aggregate write-ins for other-than-special surplus funds	X X X	X X X		
31.	Unassigned funds (surplus)	X X X	X X X	22,561,941	15,870,801
32.	Less treasury stock, at cost:				
32.1	.00 shares common (value included in Line 26 \$.00)	X X X	X X X		
32.2	.00 shares preferred (value included in Line 27 \$.00)	X X X	X X X		
33.	Total capital and surplus (Lines 25 to 31 minus Line 32)	X X X	X X X	28,835,030	23,439,225
34.	Total Liabilities, capital and surplus (Lines 24 and 33)	X X X	X X X	54,249,708	53,506,048
DETAILS OF WRITE-INS					
2301.					
2302.					
2303.					
2398.	Summary of remaining write-ins for Line 23 from overflow page				
2399.	TOTALS (Lines 2301 through 2303 plus 2398) (Line 23 above)				
2501.		X X X	X X X		
2502.	2015 ACA Fee Assessment payable in 2016	X X X	X X X		1,295,335
2503.		X X X	X X X		
2598.	Summary of remaining write-ins for Line 25 from overflow page	X X X	X X X		
2599.	TOTALS (Lines 2501 through 2503 plus 2598) (Line 25 above)	X X X	X X X		1,295,335
3001.		X X X	X X X		
3002.		X X X	X X X		
3003.		X X X	X X X		
3098.	Summary of remaining write-ins for Line 30 from overflow page	X X X	X X X		
3099.	TOTALS (Lines 3001 through 3003 plus 3098) (Line 30 above)	X X X	X X X		

STATEMENT OF REVENUE AND EXPENSES

		Current Year To Date		Prior Year To Date	Prior Year Ended December 31
		1 Uncovered	2 Total	3 Total	4 Total
1.	Member Months	X X X	303,967	390,538	508,841
2.	Net premium income (including \$.....0 non-health premium income)	X X X	100,788,455	122,020,504	160,605,398
3.	Change in unearned premium reserves and reserves for rate credits	X X X			
4.	Fee-for-service (net of \$.....0 medical expenses)	X X X			
5.	Risk revenue	X X X	5,159,810	(2,658,052)	(5,704,417)
6.	Aggregate write-ins for other health care related revenues	X X X			
7.	Aggregate write-ins for other non-health revenues	X X X			
8.	Total revenues (Lines 2 to 7)	X X X	105,948,265	119,362,452	154,900,981
Hospital and Medical:					
9.	Hospital/medical benefits		54,463,650	62,620,075	77,783,724
10.	Other professional services		4,956,570	6,221,397	8,236,512
11.	Outside referrals				
12.	Emergency room and out-of-area		7,909,978	11,071,308	13,863,272
13.	Prescription drugs		14,823,891	16,636,427	22,073,845
14.	Aggregate write-ins for other hospital and medical		5,644		
15.	Incentive pool, withhold adjustments and bonus amounts		(202,090)	44,472	(244,870)
16.	Subtotal (Lines 9 to 15)		81,957,643	96,593,679	121,712,483
Less:					
17.	Net reinsurance recoveries		728,374	1,599,483	2,331,271
18.	Total hospital and medical (Lines 16 minus 17)		81,229,269	94,994,196	119,381,212
19.	Non-health claims (net)				
20.	Claims adjustment expenses, including \$.....0 cost containment expenses		254,963	296,532	391,486
21.	General administrative expenses		18,886,590	22,528,435	29,673,983
22.	Increase in reserves for life and accident and health contracts (including \$.....0 increase in reserves for life only)				
23.	Total underwriting deductions (Lines 18 through 22)		100,370,822	117,819,163	149,446,681
24.	Net underwriting gain or (loss) (Lines 8 minus 23)	X X X	5,577,443	1,543,289	5,454,300
25.	Net investment income earned		157,839	64,529	82,392
26.	Net realized capital gains (losses) less capital gains tax of \$.....0				
27.	Net investment gains or (losses) (Lines 25 plus 26)		157,839	64,529	82,392
28.	Net gain or (loss) from agents' or premium balances charged off [(amount recovered \$.....0) (amount charged off \$.....0)]				
29.	Aggregate write-ins for other income or expenses				
30.	Net income or (loss) after capital gains tax and before all other federal income taxes (Lines 24 plus 27 plus 28 plus 29)	X X X	5,735,282	1,607,818	5,536,692
31.	Federal and foreign income taxes incurred	X X X			
32.	Net income (loss) (Lines 30 minus 31)	X X X	5,735,282	1,607,818	5,536,692
DETAILS OF WRITE-INS					
0601.	.....	X X X			
0602.	.....	X X X			
0603.	.....	X X X			
0698.	Summary of remaining write-ins for Line 6 from overflow page	X X X			
0699.	TOTALS (Lines 0601 through 0603 plus 0698) (Line 6 above)	X X X			
0701.	.....	X X X			
0702.	.....	X X X			
0703.	.....	X X X			
0798.	Summary of remaining write-ins for Line 7 from overflow page	X X X			
0799.	TOTALS (Lines 0701 through 0703 plus 0798) (Line 7 above)	X X X			
1401.	Clinical Incentive		5,644		
1402.	.....			
1403.	Other Expense				
1498.	Summary of remaining write-ins for Line 14 from overflow page				
1499.	TOTALS (Lines 1401 through 1403 plus 1498) (Line 14 above)		5,644		
2901.	.....			
2902.	.....			
2903.	.....			
2998.	Summary of remaining write-ins for Line 29 from overflow page				
2999.	TOTALS (Lines 2901 through 2903 plus 2998) (Line 29 above)				

STATEMENT OF REVENUE AND EXPENSES (Continued)

		1	2	3
		Current Year To Date	Prior Year To Date	Prior Year Ended December 31
CAPITAL & SURPLUS ACCOUNT				
33.	Capital and surplus prior reporting year	23,439,225	17,599,068	17,599,068
34.	Net income or (loss) from Line 32	5,735,282	1,607,818	5,536,692
35.	Change in valuation basis of aggregate policy and claim reserves			
36.	Change in net unrealized capital gains (losses) less capital gains tax of \$.....0			
37.	Change in net unrealized foreign exchange capital gain or (loss)			
38.	Change in net deferred income tax			
39.	Change in nonadmitted assets	(339,477)	(38,630)	303,465
40.	Change in unauthorized and certified reinsurance			
41.	Change in treasury stock			
42.	Change in surplus notes			
43.	Cumulative effect of changes in accounting principles			
44.	Capital Changes:			
44.1	Paid in			
44.2	Transferred from surplus (Stock Dividend)			
44.3	Transferred to surplus			
45.	Surplus adjustments:			
45.1	Paid in			
45.2	Transferred to capital (Stock Dividend)			
45.3	Transferred from capital			
46.	Dividends to stockholders			
47.	Aggregate write-ins for gains or (losses) in surplus			
48.	Net change in capital and surplus (Lines 34 to 47)	5,395,805	1,569,188	5,840,157
49.	Capital and surplus end of reporting period (Line 33 plus 48)	28,835,030	19,168,256	23,439,225
DETAILS OF WRITE-INS				
4701.	.....	.....	.....	.....
4702.	.....	.....	.....	.....
4703.	.....	.....	.....	.....
4798.	Summary of remaining write-ins for Line 47 from overflow page .....	.....	.....	.....
4799.	TOTALS (Lines 4701 through 4703 plus 4798) (Line 47 above) .....	.....	.....	.....

CASH FLOW

		1	2	3
		Current	Prior	Prior
		Year	Year	Year Ended
		To Date	To Date	December 31
Cash from Operations				
1.	Premiums collected net of reinsurance	97,364,345	121,535,528	163,167,149
2.	Net investment income	160,602	78,122	79,248
3.	Miscellaneous income	5,107,156	(2,779,980)	(5,585,651)
4.	TOTAL (Lines 1 to 3)	102,632,103	118,833,670	157,660,746
5.	Benefit and loss related payments	81,341,962	91,308,606	120,529,633
6.	Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts			
7.	Commissions, expenses paid and aggregate write-ins for deductions	19,252,691	21,600,254	29,814,175
8.	Dividends paid to policyholders			
9.	Federal and foreign income taxes paid (recovered) net of \$.....0 tax on capital gains (losses)			
10.	TOTAL (Lines 5 through 9)	100,594,653	112,908,860	150,343,808
11.	Net cash from operations (Line 4 minus Line 10)	2,037,450	5,924,810	7,316,938
Cash from Investments				
12.	Proceeds from investments sold, matured or repaid:			
12.1	Bonds			749,000
12.2	Stocks			
12.3	Mortgage loans			
12.4	Real estate			
12.5	Other invested assets			
12.6	Net gains or (losses) on cash, cash equivalents and short-term investments			
12.7	Miscellaneous proceeds			3,100
12.8	TOTAL investment proceeds (Lines 12.1 to 12.7)			752,100
13.	Cost of investments acquired (long-term only):			
13.1	Bonds			750,000
13.2	Stocks			
13.3	Mortgage loans			
13.4	Real estate			
13.5	Other invested assets			
13.6	Miscellaneous applications	6,142	300	
13.7	TOTAL investments acquired (Lines 13.1 to 13.6)	6,142	300	750,000
14.	Net increase (or decrease) in contract loans and premium notes			
15.	Net cash from investments (Line 12.8 minus Line 13.7 and Line 14)	(6,142)	(300)	2,100
Cash from Financing and Miscellaneous Sources				
16.	Cash provided (applied):			
16.1	Surplus notes, capital notes			
16.2	Capital and paid in surplus, less treasury stock			
16.3	Borrowed funds			
16.4	Net deposits on deposit-type contracts and other insurance liabilities			
16.5	Dividends to stockholders			
16.6	Other cash provided (applied)	(1,538,246)	(397,057)	518,699
17.	Net cash from financing and miscellaneous sources (Line 16.1 through 16.4 minus Line 16.5 plus Line 16.6)	(1,538,246)	(397,057)	518,699
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS				
18.	Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17)	493,062	5,527,453	7,837,737
19.	Cash, cash equivalents and short-term investments:			
19.1	Beginning of year	48,046,997	40,209,260	40,209,260
19.2	End of period (Line 18 plus Line 19.1)	48,540,059	45,736,713	48,046,997

Note: Supplemental Disclosures of Cash Flow Information for Non-Cash Transactions:

20.0001				
20.0002				

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION

	1	Comprehensive (Hospital & Medical)		4	5	6	7	8	9	10
		2	3							
	Total	Individual	Group	Medicare Supplement	Vision Only	Dental Only	Federal Employees Health Benefit Plan	Title XVIII Medicare	Title XIX Medicaid	Other
Total Members at end of:										
1. Prior Year	40,800	9,696	31,104							
2. First Quarter	34,609	6,389	28,220							
3. Second Quarter	33,391	5,816	27,575							
4. Third Quarter	32,381	5,387	26,994							
5. Current Year										
6. Current Year Member Months	303,967	51,062	252,905							
Total Member Ambulatory Encounters for Period:										
7. Physician	151,031	30,973	120,058							
8. Non-Physician	54,646	10,919	43,727							
9. Total	205,677	41,892	163,785							
10. Hospital Patient Days Incurred	8,268	1,310	6,958							
11. Number of Inpatient Admissions	1,874	309	1,565							
12. Health Premiums Written (a)	102,723,910	15,895,500	86,828,410							
13. Life Premiums Direct										
14. Property/Casualty Premiums Written										
15. Health Premiums Earned	102,723,910	15,895,500	86,828,410							
16. Property/Casualty Premiums Earned										
17. Amount Paid for Provision of Health Care Services	82,223,026	16,929,914	65,293,112							
18. Amount Incurred for Provision of Health Care Services	81,957,643	15,314,768	66,642,875							

(a) For health premiums written: amount of Medicare Title XVIII exempt from state taxes or fees \$.....0.

CLAIMS UNPAID AND INCENTIVE POOL, WITHHOLD AND BONUS (Reported and Unreported)

Aging Analysis of Unpaid Claims						
1 Account	2 1 - 30 Days	3 31 - 60 Days	4 61 - 90 Days	5 91 - 120 days	6 Over 120 Days	7 Total
Claims unpaid (Reported)						
Envision Rx	1,922,272					1,922,272
0199999 Individually Listed Claims Unpaid	1,922,272					1,922,272
0299999 Aggregate Accounts Not Individually Listed - Uncovered						
0399999 Aggregate Accounts Not Individually Listed - Covered	2,026,010					2,026,010
0499999 Subtotals	3,948,282					3,948,282
0599999 Unreported claims and other claim reserves						11,235,499
0699999 Total Amounts Withheld						
0799999 Total Claims Unpaid						15,183,781
0899999 Accrued Medical Incentive Pool And Bonus Amounts						308,012

UNDERWRITING AND INVESTMENT EXHIBIT

ANALYSIS OF CLAIMS UNPAID-PRIOR YEAR-NET OF REINSURANCE

Line of Business		Claims Paid Year to Date		Liability End of Current Quarter		5	6
		1	2	3	4	Claims Incurred in Prior Years (Columns 1+3)	Estimated Claim Reserve and Claim Liability Dec 31 of Prior Year
		On Claims Incurred Prior to January 1 of Current Year	On Claims Incurred During the Year	On Claims Unpaid Dec 31 of Prior Year	On Claims Incurred During the Year		
1.	Comprehensive (hospital & medical)	14,184,028	68,370,168	355,749	14,828,032	14,539,777	16,306,618
2.	Medicare Supplement						
3.	Dental only						
4.	Vision only						
5.	Federal Employees Health Benefits Plan						
6.	Title XVIII - Medicare						
7.	Title XIX - Medicaid						
8.	Other health						
9.	Health subtotal (Lines 1 to 8)	14,184,028	68,370,168	355,749	14,828,032	14,539,777	16,306,618
10.	Healthcare receivables (a)						
11.	Other non-health						
12.	Medical incentive pools and bonus amounts	109,276	(440,446)	65,735	242,277	175,011	178,932
13.	Totals (Lines 9 - 10 + 11 + 12)	14,293,304	67,929,722	421,484	15,070,309	14,714,788	16,485,550

(a) Excludes \$.00 loans or advances to providers not yet expensed.

Notes to Financial Statement

1. Nature of Business and Summary of Significant Accounting Policies

Total Health Care USA, Inc. (the "Company"), a not-for-profit corporation and wholly owned subsidiary of Total Health Care, Inc., operates as a state-licensed health maintenance organization (HMO). The Company provides medical services to persons primarily in southeastern Michigan who subscribe as part of an employer group or as individuals.

a. Accounting Practices

The accompanying financial statements of Total Health Care USA, Inc. (the "Company" or "THC") have been prepared in conformity with statutory accounting practices prescribed or permitted by Section 1007 of the Michigan statutes of the state of Michigan for determining and reporting the financial conditions and results of operations of an insurance company for determining its solvency under Michigan Insurance law. The National Association of Insurance Commissioners ("NAIC") Accounting Practices and Procedures Manual, ("NAIC SAP") has been adopted as a component of prescribed or permitted practices by the state of Michigan.

Statutory accounting principles differ from generally accepted accounting principles (GAAP) in their definition of assets and liabilities. Specifically, certain assets (such as certain receivables from affiliates) are excluded from the statutory-basis balance sheet. GAAP net assets exceed statutory net assets by approximately \$985,000 and \$646,000 at September 30, 2016 and December 31, 2015, respectively. There are no significant differences between statutory accounting principles prescribed by NAIC and the State of Michigan accounting requirements that are applicable to the Company.

A reconciliation of the Company's net income and capital and surplus between NAIC SAP and practices prescribed and permitted by the state of Michigan is shown below:

	<u>2016</u>	<u>2015</u>
(1) Net Income Michigan state basis	5,735,282	5,536,692
(2) State Prescribed Practices (Income):	-	-
(3) State Permitted Practices (Income):	-	-
(4) Net Income, NAIC SAP	5,735,282	5,536,692
(5) Statutory Surplus Michigan basis	28,835,030	23,439,225
(6) State Prescribed Practices (Surplus):	-	-
(7) State Permitted Practices (Surplus):	-	-
(8) Statutory Surplus, NAIC SAP	28,835,030	23,439,225

b. Use of Estimates in the Preparation of the Financial Statements.

The preparation of financial statements in conformity with Statutory Accounting Principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities. It also requires disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the period. Actual results could differ from those estimates.

Certain significant estimates exist relating to unpaid claims. It is at least reasonably possible that these estimates will be materially revised in the near term.

c. Accounting Policy

Cash and Short-term Investments - The Company considers all highly liquid investments purchased with an original maturity of three months or less when purchased to be cash equivalents. Certificates of deposit in banks or other similar financial institutions with maturity dates of one year or less from the acquisition date are considered cash under statutory accounting principles. Short-term investments are stated at amortized cost.

In addition, the Company uses the following accounting policies:

(1) Short-term investments and long-term certificates of deposit are recorded at amortized cost, which approximates fair market value. Long-term certificates of deposit are classified as bonds on the balance

Notes to Financial Statement

sheet per statutory guidance. Investment income or loss (including realized gains and losses on investments, interest, and dividends) is included in net investment income on the statement of operations. Changes in unrealized gains and losses on investments are included as a direct adjustment to capital and surplus.

- (2) Bonds are not backed by other loans and are stated at amortized cost using the interest method.
- (3) The Company had no common stock.
- (4) The Company had no preferred stock.
- (5) The Company had no mortgage loans.
- (6) The Company had no loan-backed securities.
- (7) The Company had no subsidiaries, controlled or affiliated investments.
- (8) The Company had no joint ventures of limited partnerships.
- (9) The Company had no derivatives.
- (10) The Company does not utilize anticipated investment income as a factor in the premium deficiency calculation.
- (11) Unpaid losses and loss adjustment expenses include an amount determined from individual case estimates and loss reports and an amount, based on past experience, for losses incurred but not reported. Such liabilities are necessarily based on assumptions and estimates and while management believes the amount is adequate, the ultimate liability may be in excess of or less than the amount provided. The methods for making such estimates and for establishing the resulting liabilities are continually reviewed and any adjustments are reflected in the period determined.
- (12) The Company has not modified its capitalization policy from the prior period.
- (13) The Company's pharmaceutical rebate receivables are estimated based prior period actual receipts.

Revenue Recognition and Accounts Receivable - Subscriber premiums are recognized in the period that members are entitled to related health care services. A substantial portion of health premiums due and unpaid is due from third-party payors for subscribers located within southeastern Michigan. Health premiums due and unpaid are stated at invoice amounts. No allowance for doubtful accounts is recorded at September 30, 2016 and December 31, 2015, respectively. Unpaid invoices greater than 90 days old are treated as non-admitted for statutory accounting purposes. Approximately \$0 and \$4,000 of receivables greater than 90 days old were non-admitted at September 30, 2016 and December 31, 2015, respectively.

Recognition of Medical and Hospital Expenses - Medical and hospital expenses and the related liabilities are recorded when eligible medical and hospital services are authorized or performed. Claims unpaid represent management's estimate of the ultimate cost to settle all claims incurred prior to year-end. Capitation retained for the settlement of risk-sharing is included in the accrued medical incentive pool liability at September 30, 2016 and December 31, 2015, respectively.

Physician Group Contracts - The Company contracts with physician groups for the provision of medical care and compensates the groups on a capitation basis. These contracts have a specialty claims incentive and pay-for-performance incentive. If the providers meet the incentives, they share in the savings and a payable is recorded. If the providers do not meet the incentives, they share in the excess costs and a health care receivable is recorded if deemed collectible by management. During 2016 and 2015, health care receivables and payables have been recorded from/to providers.

Hospital Group Contracts - The Company contracts with several hospitals and other groups. These contracts are paid under a capitation fee or various other charge arrangements.

Malpractice Claims - The Company has a claims-made policy for malpractice insurance. The Company's policy is to accrue for estimated costs of claims and incidents during the term of the claims-made policy.

Notes to Financial Statement

Employee Staffing and Purchased Services Agreement - The Company has an employee staffing and purchased services agreement with Total Health Care, Inc., its parent company, which is responsible for payment of most of the management, operational, and administrative expenses. Ultimate operational control rests with the board of directors of Total Health Care USA, Inc.

Income Taxes - Total Health Care USA, Inc. has received federal income tax exemption under Internal Revenue Code Section 501(c)(4). The Company is also exempt from state and local income taxes.

2. Accounting Changes and Corrections of Errors

None

3. Business Combinations and Goodwill

a. Statutory Purchase Method- None

b. Statutory Merger - None

c. Assumption Reinsurance – None

d. Impairment Loss – None

4. Discontinued Operations

None

5. Investments

a. Mortgage Loans, including Mezzanine Real Estate Loans – None

b. Debt Restructuring – None

c. Reverse Mortgages – None

d. Loan-Backed Securities – None

e. Repurchase Agreements and/or Securities Lending Transactions – None

f. Real Estate – None

g. Low-income housing tax credits (LIHTC) – None

h. (1) Restricted Assets (Including Pledged)

Restricted Asset Category	1	2	3	4	5	6
	Total Gross Restricted from Current Year	Total Gross Restricted from Prior Year	Increase/(Decrease) (1 minus 2)	Total Current Year Admitted Assets	Percentage Gross Restricted to Total Assets	Percentage Admitted Restricted to Total Assets
a. Subject to contractual obligation for which liability is not shown	\$	\$	\$	\$	%	%
b. Collateral held under security lending agreements						
c. Subject to repurchase agreements						
e. Subject to reverse repurchase agreements						
e. Subject to dollar repurchase agreements						
f. Subject to dollar reverse repurchase agreements						

Notes to Financial Statement

g. Placed under option contracts						
h. Letter stock or securities restricted as to sale						
i..FHLB capital stock						
j. On deposit with states	1,003,093	1,003,550	(457)	1,003,093	1.82%	1.85%
k. On deposit with other regulatory bodies						
l. Pledged as collateral to FHLB(including assets backing funding agreements)						
m. Pledged as collateral not captured in other categories						
n. Other restricted assets						
o. Total Restricted Assets	\$ 1,003,093	\$ 1,003,550	\$ (457)	\$ 1,003,093	1.82%	1.85%

(2) Detail of Assets Pledged as Collateral Not Captured in Other Categories – None

(3) Detail of Other Restricted Assets – None

- i. Working Capital Finance Investments - None
- j. Offsetting and Netting of Assets and Liabilities - None
- k. Structured Notes – Notes

6. Joint Ventures, Partnerships and Limited Liability Companies

- A. The Company does not have any Joint Ventures, Partnerships and Limited Liability Companies that exceed 10% of the admitted assets.
- B. The Company does not have any impaired Joint Ventures, Partnerships and Limited Liability Companies.

7. Investment Income

- a. All investment income due and accrued with amounts that are over 90 days past due with the exception of mortgage loans in default are excluded from surplus.
- b. The Company had no investment income due and accrued excluded from surplus.

8. Derivative Instruments

None

9. Income Taxes

None

10. Information Concerning Parent, Subsidiaries and Affiliates

a, b, & c

The Company is a wholly owned subsidiary of Total Health Care, Inc., the parent company.

d. Amounts Due for or to Related Parties – At September 30, 2016 and December 31, 2015, the Company had amounts due from(to) parent of \$0 and \$12,841 respectively, resulting from costs paid for the Company on behalf of the parent for operating expenses.

Notes to Financial Statement

e. Guarantees – The Company has no guarantees with any companies within its holding company structure.

f. Material Employee, Office Space and Equipment Leasing Agreement – The Company has an employee, office space, and equipment leasing agreement with Total Health Care, Inc. The agreement calls for Total Health Care, Inc. to provide personnel, office space, and supplies necessary to the Company in order for the Company to carry out its HMO business operations. The agreement calls for the Company to pay Total Health Care, Inc. 12-13 percent of the Company's gross revenue from the second preceding month after certain deductions. During 2016 and 2015 the Company paid \$12,748,174 and \$19,574,320, respectively, related to this agreement.

g. Common Control – All outstanding shares of Total Health Care USA, Inc. are owned by the Parent Company, Total Health Care, Inc, an insurance holding company domiciled in the State of Michigan.

h. Deductions in Value - There have been no deductions in value between affiliated companies.

i. SCA that exceed 10% of Admitted Assets - None

j. Impaired SCAs - The Company did not recognize any impairment write down for its investments in Subsidiary, Controlled, or Affiliated Companies during the statement period.

k. Foreign Subsidiary - None

l. Downstream Noninsurance Holding Company – None

11. Debt

None

12. Retirement Plans, Deferred Compensation, Post-Employment Benefits, Compensated Absences and other Postretirement Benefit Plans.

a.- d. Defined Benefit Plan – None

e. Defined Contribution Plans – None.

f. Multi-Employer Plan – None

g. Consolidated/Holding Company Plans – None

h. Post-Employment Benefits and Compensated Absences – None

i. Impact of Medicare Modernization Act on Postretirement Benefits (INT 04-17) – None

13. Capital and Surplus, Shareholders' Dividend Restrictions and Quasi-Reorganizations

(1) The Company has issued no capital stock.

(2) The Company has no preferred stock outstanding.

(3) Dividends are paid as determined by the Board of Directors with the approval of the Commissioner of the State of Michigan Office of Insurance Regulation, as long as the Company meets or exceeds minimum surplus requirements.

(4) During 2016 the Company did not pay dividends.

(5) Within the limitations of (3) above, there are no restrictions placed on the portion of Company profits that may be paid as ordinary dividends to stockholders.

(6) There were no restrictions placed on the Company's surplus, including for whom the surplus is being paid.

(7) The Company has no advances to surplus not repaid.

(8) The Company held no stock.

Notes to Financial Statement

(9) There were no changes to the balances of any special surplus funds from the prior year.

(10) Portion of unassigned funds represented or reduced by unrealized gains or losses is \$0. The portion of unassigned funds (surplus) represented or reduced by the change in non-admitted asset values is \$(339,477) and \$303,465 at September 30, 2016 and December 31, 2015, respectively.

(11) The Company did not issue any surplus debentures or similar obligations.

(12) and (13) There have been no quasi-reorganizations.

14. Contingencies

Various lawsuits against the Company have arisen in the course of the Company's business. Contingent liabilities arising from litigation and other matters are not considered material in relation to the financial position of the Company. No amounts have been accrued for losses as no losses are deemed probable or estimable. Estimated losses for claims-related matters are accrued as claims unpaid.

- a. Contingent Commitments – None
- b. Assessments – None
- c. Gain Contingencies – None
- d. Claims related extra contractual obligations and bad faith losses stemming from lawsuits – None
- e. Joint and Several Liabilities - None
- f. All Other Contingencies – There are no balances of assets covered by SSAP No. 6, Uncollected Premium Balances, Bills Receivable for Premiums, and Amounts Due From Agents and Brokers, SSAP No. 47, Uninsured Plans, or SSAP No. 66, Retrospectively Rated Contracts.

15. Leases

None

16. Information about Financial Instruments with off-balance sheet risk and financial instruments with concentrations of credit risk.

None

17. Sale, Transfer and Servicing of Financial Assets and Extinguishments of Liabilities.

- a. Transfers of Receivables reported as Sales – None
- b. Transfer and Servicing of Financial Assets – None
- c. Wash Sales – None

18. Gain or Loss to the Reporting Entity from Uninsured A & H Plans and the Uninsured Portion of Partially Insured Plans.

- a. ASO Plans – None
- b. ASC Plans – None.
- c. Medicare or Other Similarly Structured Cost Based Reimbursement Contract - None

19. Direct Premium Written/Produced by Managing General Agents/Third Party Administrators.

None

20. Fair Value Measurements

The following table presents information about the Company’s assets and liabilities measured at fair value at September 30, 2016, and the valuation techniques used by the Company to determine those fair values.

Notes to Financial Statement

In general, fair values determined by Level 1 inputs use quoted prices in active markets for identical assets or liabilities that the Company has the ability to access.

Fair values determined by Level 2 inputs use other inputs that are observable, either directly or indirectly. These Level 2 inputs include quoted prices for similar assets and liabilities in active markets, and other inputs such as interest rates and yield curves that are observable at commonly quoted intervals.

Level 3 inputs are unobservable inputs, including inputs that are available in situations where there is little, if any, market activity for the related asset or liability.

In instances where inputs used to measure fair value fall into different levels in the above fair value hierarchy, fair value measurements in their entirety are categorized based in the lowest level input that is significant to the valuation. The Company’s assessment of the significance of particular inputs to these fair value measurements requires judgment and considers factors specific to each asset or liability.

The fair value of bonds was determined primarily based on level 2 inputs. The Company obtains the fair value of these investments based on values determined and provided by the investment custodians.

A. (1) Fair Value Measurements at Reporting Date

Description for each class of asset or liability	(Level 1)		(Level 2)		(Level 3)		Total	
a. Assets at Fair Value								
Perpetual Preferred Stock								
Industrial and Misc	\$	-	\$	-	\$	-	\$	-
Parent, Subsidiaries and Affiliates		-		-		-		-
Total Perpetual Preferred Stocks	\$	-	\$	-	\$	-	\$	-
Bonds								
U.S. Governments	\$	-	\$	-	\$	-	\$	-
Industrial and Misc		-		1,002,621		-		1,002,621
Hybrid Securities		-		-		-		-
Parent, Subsidiaries and Affiliates		-		-		-		-
Total Bonds	\$	-	\$	1,002,621	\$	-	\$	1,002,621
Common Stock								
Industrial and Misc	\$	-	\$	-	\$	-	\$	-
Parent, Subsidiaries and Affiliates		-		-		-		-
Total Common Stocks	\$	-	\$	-	\$	-	\$	-
Derivative Assets								
Interest Rate Contracts	\$	-	\$	-	\$	-	\$	-
Foreign Exchange Contracts		-		-		-		-
Credit Contracts		-		-		-		-
Commodity Futures Contracts		-		-		-		-
Commodity Forward Contracts		-		-		-		-
Total Derivatives	\$	-	\$	-	\$	-	\$	-
Separate Account Assets	\$	-	\$	-	\$	-	\$	-
Total Assets at Fair Value	\$	-	\$	1,002,621	\$	-	\$	1,002,621
b. Liabilities at Fair Value								
Derivative Liabilities	\$	-	\$	-	\$	-	\$	-
Total Liabilities at Fair Value	\$	-	\$	-	\$	-	\$	-

(2) Fair Value Measurements in (Level 3) of the Fair Value - None

(3) The Company’s policy for determining when transfers between levels are recognized is determined at the end of the reporting period.

Notes to Financial Statement

(4) The Company has not valued any securities at a Level 3.

(5) Derivative assets and liabilities- None

B. N/A

C. Aggregate Fair Value for all Financial Instruments

Type of Financial Instrument	Aggregate Fair Value	Admitted Assets	Level 1	Level 2	Level 3	Not Practicable (Carrying Value)
Bonds	\$ 1,002,621	\$ 1,002,621	\$ -	\$ 1,002,621	\$ -	\$ -
Cash	-	-	-	-	-	-
Short Term Certificates of Deposit	-	-	-	-	-	-
Money Market Funds	-	-	-	-	-	-
Totals	\$ 1,002,621	\$ 1,002,621	\$ -	\$ 1,002,621	\$ -	\$ -

D. Not Practicable to Estimate Fair Value – N/A

21. Other Items

a. Extraordinary Items – None

b. Troubled Debt Restructuring – None

c. Other Disclosures and Unusual Items – Funds Maintained Under Statutory Requirements - The Company maintains segregated funds under statutory requirements to protect members and health care providers in the event the Company is unable to meet its contractual obligations. These funds can be issued only at the direction of the insurance commissioner in accordance with statutory and contractual provisions. At September 30, 2016 and December 31, 2015, \$1,003,093 and \$1,003,550, respectively were held in long-term certificates of deposit and money market funds to fulfill these requirements. Interest earned on these funds can be utilized by the Company.

At September 30, 2016 and December 31, 2015, respectively the Company had admitted assets of \$2,128,695 and \$2,510,098, respectively, in health premiums due and unpaid for amounts due from subscribers, governmental entities, and other health care providers. The Company routinely assessed the collectability of these receivables and directly wrote off any uncollectible receivables accordingly. Receivables greater than 90 days are considered non-admitted for statutory purposes.

d. Business Interruption Insurance Recoveries - None

e. State Transferable and Non-transferable Tax Credits - None

f. Subprime Mortgage Related Risk Exposure – None

g. Retained Assets – None

22. Events Subsequent

Type I. – Recognized Subsequent Events – No Change

Subsequent events have been considered through 02/23/2016 for the statutory statement issued on December 31, 2015.

None

Notes to Financial Statement

Type II. – Non-recognized Subsequent Events – No Change

Subsequent events have been considered through 02/23/2016 for the statutory statement issued on December 31, 2015.

On January 1, 2016, the Company will be subject to an annual fee under section 9010 of the Affordable care Act (ACA). This annual fee will be allocated to individual health insurers based on the ratio of the amount of the entity’s net premiums written during the preceding calendar year to the amount of health insurance for any U.S. health risk that is written during the preceding calendar year. A health insurance entity’s portion of the annual fee becomes payable once the entity provides health insurance for any U.S. health risk for each calendar year beginning on or after January 1 of the year the fee is due. As of December 31, 2015, the Company has written health insurance subject to the ACA assessment, expects to conduct health insurance business in 2016, and estimates their portion of the annual health insurance industry fee to be payable on September 30, 2016 to be \$1,295,335. This amount is reflected in special surplus. This assessment is expected to impact risk based capital by 5.53%. Reporting the ACA assessment as of December 31, 2015 would not have triggered an RBC action level.

	<u>Current Year</u>	<u>Prior Year</u>
A. ACA fee assessment payable for the upcoming year	\$ 1,295,335	\$ 1,312,525
B. ACA fee assessment paid	\$ 1,234,462	\$ 592,019
C. Premium written subject to ACA 9010 assessment	\$ 62,307,968	\$ 63,066,420
D. Total Adjusted Capital before surplus adjustment	\$ 23,439,225	\$ 17,599,068
E. Authorized Control Level before surplus adjustment	\$ 4,964,585	\$ 5,347,637
F. Total Adjusted Capital after surplus adjustment	\$ 22,143,890	\$ 16,286,543
G. Authorized Control Level after surplus adjustment	\$ 4,964,585	\$ 5,347,637
H. Would reporting the ACA assessment as of Dec. 31, 2015 trigger an RBC action level? (YES/NO)	No	No

23. Reinsurance

A. Ceded Reinsurance Report

Section 1 – General Interrogatories

(1) Are any of the reinsurers, listed in Schedule S as non-affiliated, owned in excess of 10% or controlled, either directly or indirectly, by the company or by any representative, officer, trustee, or director of the company?

Yes () No (x)

(2) Have any policies issued by the company been reinsured with a company chartered in a country other than the United States (excluding U.S. Branches of such companies) that is owned in excess of 10% or controlled directly or indirectly by an insured, a beneficiary, a creditor or an insured or any other person not primarily engaged in the insurance business?

Yes () No (x)

Section 2 – Ceded Reinsurance Report – Part A

(1) Does the company have any reinsurance agreements in effect under which the reinsurer may unilaterally cancel any reinsurance for reasons other than for nonpayment of premium or other similar credit?

Yes () No (x)

a. Not Applicable

b. The Company had reinsurance recoverable receivables of \$295,237 and \$195,322 recorded at September 30, 2016 and December 31, 2015, respectively. In addition, the Company had \$727,021 in ACA transitional reinsurance recoverable receivables recorded at September 30, 2016 for a total of \$1,022,258 receivable at September 30, 2016.

Notes to Financial Statement

(2) Does the reporting entity have any reinsurance agreements in effect such that the amount of losses paid or accrued through the statement date may result in a payment to the reinsurer of amounts that, in aggregate and allowing for offset of mutual credits from other reinsurance agreements with the same reinsurer, exceed the total direct premium collected under the reinsured policies?

Yes () No (x)

Section 3 – Ceded Reinsurance Report – Part B

(1) The estimated reduction in surplus is zero.

(2) The Company has renewed an agreement with Star Line Group effective November 1, 2015. The reinsurance policy provides the same coverage’s on an annual per member basis after a \$220,000 (MiChild) to \$300,000 (Commercial-Group) to \$400,000 (Commercial-Individual) deductible is reached. The maximum lifetime reinsurance indemnity payable under each agreement is \$2,000,000 per member. The reinsurance policy also provides for a supplemental corridor adjustment to reinsurance recoverable applied with the lower of: 1) 50% of reinsurance premiums paid, or 2) the amount by which reinsurance recoverable exceed 50% of the reinsurance premiums paid.

B. Uncollectible Reinsurance – None

C. Commutation of Ceded Reinsurance – None

D. Certified Reinsurer Rating Downgraded or Status Subject to Revocation - None

24. Retrospectively Rated Contracts and Contracts Subject to Redetermination

- A. The Company estimates accrued retrospective premium adjustments for its group health insurance business through a mathematical approach using an algorithm of the company’s underwriting rules and experience rating practices.
- B. The Company records accrued retrospective premium as an adjustment to earned premium.
- C. The amount of net premiums written by the Company at September 30, 2016 that are subject to retrospective rating features was \$102,723,910 that represented 100% of the total net premiums written. No other net premiums written by the Company are subject to retrospective rating features.
- D. At September 30, 2016, the Company had medical loss ratio rebates of \$970,808. At December 31, 2015, the Company had medical loss ratio rebates of \$443,050 required pursuant to the Public Health Service Act. At September 30, 2016 the actual 2015 rebate amounts were \$797,473.

	Individual	Small Group Employer	Large Group Employer	Other Categories with Rebates	Total
Prior Reporting Year					
(1) Medical loss ratio rebates incurred	-	-	443,050	-	443,050
(2) Medical loss ratio rebates paid	-	-	-	-	-
(3) Medical loss ratio rebates unpaid	-	-	443,050	-	443,050
(4) Plus reinsurance assumed amounts	XXX	XXX	XXX	XXX	XXX
(5) Less reinsurance ceded amounts	XXX	XXX	XXX	XXX	XXX
(6) Rebates unpaid net of reinsurance	XXX	XXX	XXX	XXX	XXX
Current Reporting Year-to-Date					
(1) Medical loss ratio rebates incurred	-	-	1,325,231	-	1,325,231
(2) Medical loss ratio rebates paid	-	-	797,473	-	797,473
(3) Medical loss ratio rebates unpaid	-	-	970,808	-	970,808
(4) Plus reinsurance assumed amounts	XXX	XXX	XXX	XXX	XXX
(5) Less reinsurance ceded amounts	XXX	XXX	XXX	XXX	XXX
(6) Rebates unpaid net of reinsurance	XXX	XXX	XXX	XXX	970,808

E. Risk Sharing Provisions of the Affordable Care Act

Notes to Financial Statement

(1) Did the reporting entity write accident and health insurance premiums which is subject to the Affordable Care Act risk sharing provisions (YES/NO)? **YES**

The Company recorded \$(1,423,978) and \$3,805,000 (receivable)/due for the risk adjustment program estimate at September 30, 2016 and December 31, 2015, respectively. The Company recorded \$3,631,732 and \$2,091,000 due for the risk corridors program estimate at September 30, 2016 and December 31, 2015, respectively. During the period ended September 30, 2016 the actual 2015 risk adjustment amount was determined to be a receivable of \$1,949,682 and the actual 2015 risk corridor amount was determined to be a payable of \$1,465,775.

(2) Impact of Risk Sharing Provisions of the Affordable Care Act on Admitted Assets, Liabilities and Revenue for the Current Year

	September 30, 2016	December 31, 2015
	<u>Amount</u>	<u>Amount</u>
a. Permanent ACA Risk Adjustment Program		
Assets		
1. Premium adjustments receivable due to ACA Risk Adjustment	\$ 1,423,978	\$ -
Liabilities		
2. Risk adjustment user fees payable for ACA Risk Adjustment	\$ 15,787	\$ 15,565
3. Premium adjustments payable due to ACA Risk Adjustment	\$ -	\$ 3,805,000
Operations (Revenue & Expenses)		
4. Reported as revenue in premium for accident and health contracts (written/collected) due to ACA Risk Adjustment	\$ 6,700,542	\$ (5,693,917)
5. Reported in expenses as ACA risk adjustment user fees (incurred/Paid)	\$ 15,267	\$ 14,693
b. Transitional ACA Reinsurance Program		
Assets		
1. Amount recoverable for claims paid due to ACA Reinsurance	\$ 727,021	\$ 1,708,000
2. Amount recoverable for claims unpaid due to ACA Reinsurance (Contra Liability)	\$ -	\$ -
3. Amounts receivable relating to uninsured plans for contributions for ACA Reinsurance	\$ -	\$ -
Liabilities		
4. Liabilities for contributions payable due to ACA Reinsurance - not reported as ceded premium	\$ 581,599	\$ 371,727
5. Ceded reinsurance premiums payable due to ACA Reinsurance	\$ 91,093	\$ 73,590
6. Liabilities for amounts held under uninsured plans contributions for ACA Reinsurance	\$ -	\$ -
Operations (Revenue & Expenses)		
7. Ceded reinsurance premiums due to ACA Reinsurance	\$ (91,093)	\$ 303,310
8. Reinsurance recoveries (income statement) due to ACA Reinsurance payments or expected paymmnts	\$ 384,848	\$ 1,939,296
9. ACA Reinsurance contributions - not reported as ceded premium	\$ 585,852	\$ 1,485,895
c. Temporary ACA Risk Corridors Program		
Assets		
1. Accrued retrospective premiums due to ACA Risk Corridors	\$ -	\$ -
Liabilities		
2. Reserve for rate credits or policy experience rating refunds due to ACA Risk Corridors	\$ 3,631,732	\$ 2,091,000
Operations (Revenue & Expenses)		
3. Effect of ACA Risk Corridors on net premium income (paid/received)	\$ (1,540,732)	\$ (10,500)
4. Effect of ACA Risk Corridors on change in reserves for rate credits	\$ -	\$ -

Notes to Financial Statement

(3) Roll forward of prior year ACA risk sharing provisions for the following asset (gross of any nonadmission) and liability balances along with the reasons for adjustments to prior year balance.

	Accrued During the Prior Year on Business Written Before December 31 of the Prior Year		Received or Paid as of the Current Year on Business Written Before December 31 of the Prior Year		Differences		Adjustments		Unsettled Balances as of the Reporting Date	
					Prior Year	Prior Year			Cumm ulative	Cummulati ve
					Accrued	Accrued			Balanc e from Prior years (Col 1- 3+7)	Balance from Prior years (Col 2-4+8)
					Less Payment s	Less Payments	To Prior Year	To Prior Year		
					(Col 1-3)	(Col 2-4)	Balances	Balances		
	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	<u>7</u>	<u>8</u>	<u>9</u>	<u>10</u>
	<u>Receivabl</u>	<u>(Payable)</u>	<u>Receivable</u>	<u>(Payabl</u>	<u>Receivabl</u>	<u>(Payable)</u>	<u>Receivabl</u>	<u>(Payable)</u>	<u>R</u>	<u>Receiv</u>
	<u>e</u>			<u>e)</u>	<u>e</u>		<u>e</u>		<u>e f</u>	<u>able</u>
a. Permanent ACA Risk Adjustment Program										
1. Premium adjustments receivable	-	-	-	-	-	-	-	-	A	-
2. Premium adjustments (payable)	-	(3,805,000)	1,471,564	470	(1,471,56 4)	(3,805,470)	1,949,68 2	3,805,470	B	478,11 8
3. Subtotal ACA Permanent										-
Risk Adjustment Program	-	(3,805,000)	1,471,564	470	(1,471,56 4)	(3,805,470)	1,949,68 2	3,805,470		478,11 8
b. Transitional ACA Reinsurance Program										-
1. Amounts recoverable for										
claims paid	1,708,000	-	1,365,827	-	342,173	-	(175,148)	-	C	167,02 5
2. Amounts recoverable for claimsunpaid (contra	-	-	-	-	-	-	-	-	D	-
liability)										-
3. Amounts receivable relating to uninsured plans	-	-	-	-	-	-	-	-	E	-
4. Liabilities for contributions payable due to ACA										-
Reinsurance - not reported	-	(371,727)	-	(375,98 0)	-	4,253	-	(4,253)	F	-
as ceded premiums										-
5. Ceded reinsurance										-
premiums payable	-	(73,590)	-	(73,590)	-	-	-	-	G	-
6. Liability for amounts held										-
uninsured plans	-	-	-	-	-	-	-	-	H	-
7. Subtotal ACA										-
Transitional Reinsurance Program	1,708,000	(445,317)	1,365,827	(449,57 0)	342,173	4,253	(175,148)	(4,253)		167,02 5
c. Temporary ACA Risk Corridors Program										-
1. Accrued retrospective	-	-	-	-	-	-	-	-	I	-
premium										-
2. Reserve for rate credits or										-
policy experience rating	-	(2,091,000)	-	-	-	(2,091,000)	-	625,225	J	(1,465,775)
refunds										

Notes to Financial Statement

3. Subtotal ACA Risk											
Corridors Program d. Total for ACA Risk Sharing	-	(2,091,000)	-	-	-	(2,091,000)	-	625,225	K	-	(1,465,775)
Provisions	\$ 1,708,000	\$ (6,341,317)	\$ 2,837,391	\$ (449,100)	\$ (1,129,391)	\$ (5,892,217)	\$ 1,774,534	\$ 4,426,442		\$ 645,143	\$ (1,465,775)

Explanations of Adjustments

A)
B) Adjustment based on CMS final results from payable to receivable
C) Adjustment based on CMS final results to reduce receivable
D)
E
F) Adjustment based on revised member counts
G)
H
I
J) Adjustment based on effects of changes to RA and TRI,etc and final CMS template amounts
K) Adjustment based on effects of changes to RA and TRI,etc and final CMS template amounts

(4) Roll Forward of ACA Risk Corridor Asset and Liability Balances

Risk Corridors Program Year	Accrued During the Prior Year on Business Written Before December 31 of the Prior Year		Received or Paid as of the Current Year on Business Written Before December 31 of the Prior Year		Differences		Adjustments			Unsettled Balances as of the Reporting Date	
					Prior Year Accrued Less Payments (Col 1 - 3)	Prior Year Accrued Less Payments (Col 2 - 4)	To Prior Year Balances	To Prior Year Balances	Ref	Cumulative Balance from Prior Years (Col 1–3+7)	Cumulative Balance from Prior Years (Col 2–4+8)
	1	2	3	4	5	6	7	8		9	10
	Receivable	(Payable)	Receivable	(Payable)	Receivable	(Payable)	Receivable	(Payable)		Receivable	(Payable)
a. 2014											
1. Accrued retrospective premium	\$	\$	\$	\$	\$	\$	\$	\$	A	\$	\$
2. Reserve for rate credits for policy experience rating refunds	\$	\$ (2,080,500)	\$	\$	\$	\$ (2,080,500)	\$	\$ 2,080,500	B	\$	\$ -
b. 2015											
1. Accrued retrospective premium	\$	\$	\$	\$	\$	\$	\$	\$	C	\$	\$
2. Reserve for rate credits for policy experience rating refunds	\$	\$ (2,091,000)	\$	\$	\$	\$ (2,091,000)	\$	\$ 625,225	D	\$	\$ (1,465,775)
c. 2016											
1. Accrued retrospective premium	\$	\$	\$	\$	\$	\$	\$	\$	E	\$	\$
2. Reserve for rate credits for policy experience rating refunds	\$	\$ (2,165,957)	\$	\$	\$	\$ (2,165,957)	\$	\$ -	F	\$	\$ (2,165,957)
d. Total for Risk Corridors	\$ -	\$ (6,337,457)	\$ -	\$ -	\$ -	\$ (6,337,457)	\$ -	\$ 2,705,725	\$ -	\$ -	\$ (3,631,732)

Notes to Financial Statement

Explanations
of
Adjustments

A)
B)Adj no CMS Risk Corridor due
C)
D)Adj to CMS Risk Corridor due
E)
F)

(5) ACA Risk Corridor Receivable: None

Risk Corridors Program Year	1 Estimated Amount to be Filed or Final Amount Filed with CMS	2 Non-Accrued Amounts for Impairment or Other Reasons	3 Amounts received from CMS	4 Asset Balance (Gross of Non- admissions) (1-2-3)	5 Non- admitted Amount	6 Net Admitted Asset (4-5)
a. 2014	\$	\$	\$	\$	\$	\$
b. 2015	\$	\$	\$	\$	\$	\$
c. 2016	\$	\$	\$	\$	\$	\$
d. Total (a+b+c)	\$	\$	\$	\$	\$	\$

25. Change in Incurred Claims and Claims Adjustment Expenses

Reserves as of December 31, 2015 were \$16,718,288. As of September 30, 2016, \$14,293,304 has been paid for incurred claims and claims adjustment expenses attributable to insured events of prior years. Reserves remaining for prior years are now \$355,749 as a result of re-estimation of unpaid claims and claim adjustment expenses principally on Comprehensive Medical lines of business. Therefore, there has been a \$2,069,235 favorable prior-year development since December 31, 2015 to September 30, 2016. The decrease is generally the result of ongoing analysis of recent loss development trends. Original estimates are increased or decreased, as additional information becomes known regarding individual claims.

Reserves as of December 31, 2014 were \$17,745,966. As of December 31, 2015, \$15,615,785 has been paid for incurred claims and claims adjustment expenses attributable to insured events of prior years. Reserves remaining for prior years are now \$105,000 as a result of re-estimation of unpaid claims and claim adjustment expenses principally on Comprehensive Medical lines of business. Therefore, there has been a \$2,025,181 favorable prior-year development since December 31, 2014 to December 31, 2015. The decrease is generally the result of ongoing analysis of recent loss development trends. Original estimates are increased or decreased, as additional information becomes known regarding individual claims.

26. Intercompany Pooling Arrangements

None

27. Structured Settlements

None

28. Health Care Receivables

The Company reports risk-sharing receivables and payables related to global capitation and specialty claims arrangements based upon the terms of its contracts.

Pharmaceutical rebates receivable at both September 30, 2016 and December 31, 2015 were \$0. Rebates are netted with pharmacy expense. During 2016 and 2015, pharmacy rebates in the amount of \$0 and \$3,576, respectively, were collected.

No Change

Notes to Financial Statement

29. Participating Policies

None

30. Premium Deficiency Reserves – No Change

1. Liability carried for premium deficiency reserves

\$0
2. Date of the most recent evaluation of this liability

02/23/2016
3. Was anticipated investment income utilized?

Yes ☐ No ☒

31. Anticipated Salvage and Subrogation

Loss reserves have not been reduced for any salvage or subrogation. During 2016 and 2015, the Company received subrogation totaling \$127,306 and \$117,082, respectively.

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES
GENERAL

- 1.1 Did the reporting entity experience any material transactions requiring the filing of Disclosure of Material Transactions with the State of Domicile, as required by the Model Act?

Yes[] No[X]
- 1.2 If yes, has the report been filed with the domiciliary state?

Yes[] No[] N/A[X]
- 2.1 Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity?

Yes[] No[X]
- 2.2 If yes, date of change:
- 3.1 Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer?

Yes[X] No[]
- If yes, complete Schedule Y, Parts 1 and 1A.
- 3.2 Have there been any substantial changes in the organizational chart since the prior quarter end?

Yes[] No[X]
- 3.3 If the response to 3.2 is yes, provide a brief description of those changes:
- 4.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement?

Yes[] No[X]
- 4.2 If yes, provide the name of entity, NAIC Company Code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

1	2	3
Name of Entity	NAIC Company Code	State of Domicile

5. If the reporting entity is subject to a management agreement, including third-party administrator(s), managing general agent(s), attorney-in-fact, or similar agreement, have there been any significant changes regarding the terms of the agreement or principals involved?

If yes, attach an explanation.

Yes[] No[] N/A[X]
- 6.1 State as of what date the latest financial examination of the reporting entity was made or is being made.

12/31/2015
- 6.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released.

12/31/2012
- 6.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date).

05/02/2014
- 6.4 By what department or departments?

Michigan Department of Insurance & Financial Services
- 6.5 Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with Departments?

Yes[X] No[] N/A[]
- 6.6 Have all of the recommendations within the latest financial examination report been complied with?

Yes[X] No[] N/A[]
- 7.1 Has this reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period?

Yes[] No[X]
- 7.2 If yes, give full information
- 8.1 Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board?

Yes[] No[X]
- 8.2 If response to 8.1 is yes, please identify the name of the bank holding company.
- 8.3 Is the company affiliated with one or more banks, thrifts or securities firms?

Yes[] No[X]
- 8.4 If response to 8.3 is yes, please provide below the names and location (city and state of the main office) of any affiliates regulated by a federal regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator.]

1	2	3	4	5	6
Affiliate Name	Location (City, State)	FRB	OCC	FDIC	SEC
		Yes[] No[X]	Yes[] No[X]	Yes[] No[X]	Yes[] No[X]

- 9.1 Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards?

(a) Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;

(b) Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;

(c) Compliance with applicable governmental laws, rules and regulations;

(d) The prompt internal reporting of violations to an appropriate person or persons identified in the code; and

(e) Accountability for adherence to the code.

Yes[X] No[]
- 9.11 If the response to 9.1 is No, please explain:
- 9.2 Has the code of ethics for senior managers been amended?

Yes[] No[X]
- 9.21 If the response to 9.2 is Yes, provide information related to amendment(s).
- 9.3 Have any provisions of the code of ethics been waived for any of the specified officers?

Yes[] No[X]
- 9.31 If the response to 9.3 is Yes, provide the nature of any waiver(s).

FINANCIAL

- 10.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement?

Yes[] No[X]
- 10.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount:

\$ 0

INVESTMENT

- 11.1 Were any of the stocks, bonds, or other assets of the reporting entity loaned, placed under option agreement, or otherwise made available for use by another person? (Exclude securities under securities lending agreements.)

Yes[] No[X]
- 11.2 If yes, give full and complete information relating thereto:
12. Amount of real estate and mortgages held in other invested assets in Schedule BA:

\$ 0
13. Amount of real estate and mortgages held in short-term investments:

\$ 0

GENERAL INTERROGATORIES (Continued)

INVESTMENT

14.1 Does the reporting entity have any investments in parent, subsidiaries and affiliates?

14.2 If yes, please complete the following:

Yes[] No[X]

		1	2
		Prior Year-End Book/Adjusted Carrying Value	Current Quarter Book/Adjusted Carrying Value
14.21	Bonds		
14.22	Preferred Stock		
14.23	Common Stock		
14.24	Short-Term Investments		
14.25	Mortgages Loans on Real Estate		
14.26	All Other		
14.27	Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 14.21 to 14.26)		
14.28	Total Investment in Parent included in Lines 14.21 to 14.26 above		

15.1 Has the reporting entity entered into any hedging transactions reported on Schedule DB?

15.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state?
If no, attach a description with this statement.

16. For the reporting entity's security lending program, state the amount of the following as of the current statement date:
16.1 Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2
16.2 Total book adjusted/carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2
16.3 Total payable for securities lending reported on the liability page

17. Excluding items in Schedule E - Part 3 - Special Deposits, real estate, mortgage loans and investments held physically in the reporting entity's
offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a
custodial agreement with a qualified bank or trust company in accordance with Section 1, III - General Examination Considerations, F.
Outsourcing of Critical Functions, Custodial or Safekeeping Agreements of the NAIC Financial Condition Examiners Handbook?

17.1 For all agreements that comply with the requirements of the NAIC Financial Condition Examiners Handbook, complete the following:

Yes[] No[X]
Yes[] No[] N/A[X]

\$ 0
\$ 0
\$ 0

1	2
Name of Custodian(s)	Custodian Address
COMERICA BANK - LYNN HUTZEL-UISEL	611 WOODWARD AVE., DETROIT, MI 48226
.....

17.2 For all agreements that do not comply with the requirements of the NAIC Financial Condition Examiners Handbook, provide the name,
location and a complete explanation:

1	2	3
Name(s)	Location(s)	Complete Explanation(s)
.....

17.3 Have there been any changes, including name changes, in the custodian(s) identified in 17.1 during the current quarter?

17.4 If yes, give full and complete information relating thereto:

Yes[] No[X]

1	2	3	4
Old Custodian	New Custodian	Date of Change	Reason
.....

17.5 Identify all investment advisors, brokers/dealers or individuals acting on behalf of broker/dealers that have access to the investment accounts,
handle securities and have authority to make investments on behalf of the reporting entity:

1	2	3
Central Registration Depository	Name(s)	Address
.....

18.1 Have all the filing requirements of the Purposes and Procedures Manual of the NAIC Investment Analysis Office been followed?

18.2 If no, list exceptions:
NOT REQUIRED BY STATE OF DOMICILE

Yes[] No[X]

GENERAL INTERROGATORIES

PART 2 - HEALTH

1. Operating Percentages:	
1.1 A&H loss percent	80.030%
1.2 A&H cost containment percent	0.250%
1.3 A&H expense percent excluding cost containment expenses	18.390%
2.1 Do you act as a custodian for health savings accounts?	Yes[] No[X]
2.2 If yes, please provide the amount of custodial funds held as of the reporting date.	\$..... 0
2.3 Do you act as an administrator for health savings accounts?	Yes[] No[X]
2.4 If yes, please provide the balance of the funds administered as of the reporting date.	\$..... 0

SCHEDULE S - CEDED REINSURANCE
Showing All New Reinsurance Treaties - Current Year to Date

1 NAIC Company Code	2 ID Number	3 Effective Date	4 Name of Reinsurer	5 Domiciliary Jurisdiction	6 Type of Reinsurance Ceded	7 Type of Reinsurer	8 Certified Reinsurer Rating (1 through 6)	9 Effective Date of Certified Reinsurer Rating
Accident and Health - Affiliates								
60739	74-0484030 .....	..... 11/01/2015	AMERICAN NATL INS CO	TX .....	..... SSL/L/I	Authorized .....	.....	.....

SCHEDULE T - PREMIUMS AND OTHER CONSIDERATIONS

Current Year to Date - Allocated by States and Territories

		1	Direct Business Only							
			2	3	4	5	6	7	8	9
State, Etc.		Active Status	Accident and Health Premiums	Medicare Title XVIII	Medicaid Title XIX	Federal Employees Health Benefits Program Premiums	Life and Annuity Premiums and Other Considerations	Property/ Casualty Premiums	Total Columns 2 Through 7	Deposit-Type Contracts
1.	Alabama (AL)	N								
2.	Alaska (AK)	N								
3.	Arizona (AZ)	N								
4.	Arkansas (AR)	N								
5.	California (CA)	N								
6.	Colorado (CO)	N								
7.	Connecticut (CT)	N								
8.	Delaware (DE)	N								
9.	District of Columbia (DC)	N								
10.	Florida (FL)	N								
11.	Georgia (GA)	N								
12.	Hawaii (HI)	N								
13.	Idaho (ID)	N								
14.	Illinois (IL)	N								
15.	Indiana (IN)	N								
16.	Iowa (IA)	N								
17.	Kansas (KS)	N								
18.	Kentucky (KY)	N								
19.	Louisiana (LA)	N								
20.	Maine (ME)	N								
21.	Maryland (MD)	N								
22.	Massachusetts (MA)	N								
23.	Michigan (MI)	L	102,723,910						102,723,910	
24.	Minnesota (MN)	N								
25.	Mississippi (MS)	N								
26.	Missouri (MO)	N								
27.	Montana (MT)	N								
28.	Nebraska (NE)	N								
29.	Nevada (NV)	N								
30.	New Hampshire (NH)	N								
31.	New Jersey (NJ)	N								
32.	New Mexico (NM)	N								
33.	New York (NY)	N								
34.	North Carolina (NC)	N								
35.	North Dakota (ND)	N								
36.	Ohio (OH)	N								
37.	Oklahoma (OK)	N								
38.	Oregon (OR)	N								
39.	Pennsylvania (PA)	N								
40.	Rhode Island (RI)	N								
41.	South Carolina (SC)	N								
42.	South Dakota (SD)	N								
43.	Tennessee (TN)	N								
44.	Texas (TX)	N								
45.	Utah (UT)	N								
46.	Vermont (VT)	N								
47.	Virginia (VA)	N								
48.	Washington (WA)	N								
49.	West Virginia (WV)	N								
50.	Wisconsin (WI)	N								
51.	Wyoming (WY)	N								
52.	American Samoa (AS)	N								
53.	Guam (GU)	N								
54.	Puerto Rico (PR)	N								
55.	U.S. Virgin Islands (VI)	N								
56.	Northern Mariana Islands (MP)	N								
57.	Canada (CAN)	N								
58.	Aggregate other alien (OT)	X X X								
59.	Subtotal	X X X	102,723,910						102,723,910	
60.	Reporting entity contributions for Employee Benefit Plans	X X X								
61.	Total (Direct Business)	(a)..... 1	102,723,910						102,723,910	
DETAILS OF WRITE-INS										
58001.	.....	X X X								
58002.	.....	X X X								
58003.	.....	X X X								
58998.	Summary of remaining write-ins for Line 58 from overflow page	X X X								
58999.	TOTALS (Lines 58001 through 58003 plus 58998) (Line 58 above)	X X X								

(L) Licensed or Chartered - Licensed Insurance Carrier or Domiciled RRG; (R) Registered - Non-domiciled RRGs; (Q) Qualified - Qualified or Accredited Reinsurer; (E) Eligible - Reporting Entities eligible or approved to write Surplus Lines in the state; (N) None of the above - Not allowed to write business in the state.

(a) Insert the number of L responses except for Canada and Other Alien.

SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER
MEMBERS OF A HOLDING COMPANY GROUP
PART 1 - ORGANIZATIONAL CHART

TOTAL HEALTH CARE, INC. – PARENT
38-2018957, NAIC #95644, STATE OF MICHIGAN

TOTAL HEALTH CARE USA, INC. – WHOLLY OWNED SUBSIDIARY OF TOTAL HEALTH CARE, INC.
383240485, NAIC #12326, STATE OF MICHIGAN

SCHEDULE Y

PART 1A - DETAIL OF INSURANCE HOLDING COMPANY SYSTEM

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Group Code	Group Name	NAIC Comp- any Code	ID Number	FEDERAL RSSD	CIK	Name of Securities Exchange if Publicly Traded (U.S. or International)	Names of Parent, Subsidiaries Or Affiliates	Domic- iliary Loca- tion	Relation- ship to Report- ing Entity	Directly Controlled by (Name of Entity / Person)	Type of Control (Ownership, Board, Management, Attorney-in-Fact, Influence, Other)	If Control is Ownership Provide Percentage	Ultimate Controlling Entity(ies) / Person(s)	*
1238 ..	TOTAL HEALTH GROUP	95644	38-2018957 ..	.....	.....	.....	TOTAL HEALTH CARE INC .....	.. MI ..	.. UDP ..	.....	.....	.....	.....	.....
1238 ..	TOTAL HEALTH GROUP	12326	38-3240485 ..	.....	.....	.....	TOTAL HEALTH CARE USA INC .....	.. MI ..	.. RE ..	TOTAL HEALTH CARE INC	Ownership .....	..... 100.0	TOTAL HEALTH CARE INC	.....

Asterisk	Explanation
0000001	.....

SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

The following supplemental reports are required to be filed as part of your statement filing. However, in the event that your company does not transact the type of business for which the special report must be filed, your response of NO to the specific interrogatory will be accepted in lieu of filing a "NONE" report and a bar code will be printed below. If the supplement is required of your company but is not being filed for whatever reason enter SEE EXPLANATION and provide an explanation following the interrogatory questions.

1. Will the Medicare Part D Coverage Supplement be filed with the state of domicile and the NAIC with this statement?

RESPONSE
No

Explanations:

Bar Codes:

Medicare Part D Coverage Supplement



OVERFLOW PAGE FOR WRITE-INS

ASSETS

	Current Statement Date			4 December 31 Prior Year Net Admitted Assets
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	
1197. Summary of remaining write-ins for Line 11 (Lines 1104 through 1196)
2504.
2597. Summary of remaining write-ins for Line 25 (Lines 2504 through 2596)

STATEMENT OF REVENUE AND EXPENSES (Continued)

	1 Current Year To Date	2 Prior Year To Date	3 Prior Year Ended December 31
4704.
4797. Summary of remaining write-ins for Line 47 (Lines 4704 through 4796)

STATEMENT AS OF **September 30, 2016** OF THE **TOTAL HEALTH CARE USA, INC.**

SCHEDULE A - VERIFICATION

Real Estate		1	2
		Year To Date	Prior Year Ended December 31
1.	Book/adjusted carrying value, December 31 of prior year		
2.	Cost of acquired:		
2.1	Actual cost at time of acquisition		
2.2	Additional investment made after acquisition		
3.	Current year change in encumbrances		
4.	Total gain (loss) on disposals		
5.	Deduct amounts received on disposals		
6.	Total foreign exchange change in book/adjusted carrying value		
7.	Deduct current year's other-than-temporary impairment recognized		
8.	Deduct current year's depreciation		
9.	Book/adjusted carrying value at the end of current period (Lines 1 + 2 + 3 + 4 - 5 + 6 - 7 - 8)		
10.	Deduct total nonadmitted amounts		
11.	Statement value at end of current period (Line 9 minus Line 10)		

SCHEDULE B - VERIFICATION

Mortgage Loans

Mortgage Loans		1	2
		Year To Date	Prior Year Ended December 31
1.	Book value/recorded investment excluding accrued interest, December 31 of prior year		
2.	Cost of acquired:		
2.1	Actual cost at time of acquisition		
2.2	Additional investment made after acquisition		
3.	Capitalized deferred interest and other		
4.	Accrual of discount		
5.	Unrealized valuation increase (decrease)		
6.	Total gain (loss) on disposals		
7.	Deduct amounts received on disposals		
8.	Deduct amortization of premium and mortgage interest points		
9.	Total foreign exchange change in book value/recorded investment		
10.	Deduct current year's other than temporary impairment recognized		
11.	Book value/recorded investment excluding accrued interest at end of current period (Lines 1 + 2 + 3 + 4 + 5 + 6 - 7 - 8 + 9 - 10)		
12.	Total valuation allowance		
13.	Subtotal (Line 11 plus Line 12)		
14.	Deduct total nonadmitted amounts		
15.	Statement value at end of current period (Line 13 minus Line 14)		

SCHEDULE BA - VERIFICATION

Other Long-Term Invested Assets

Other Long-Term Invested Assets		1	2
		Year To Date	Prior Year Ended December 31
1.	Book/adjusted carrying value, December 31 of prior year		
2.	Cost of acquired:		
2.1	Actual cost at time of acquisition		
2.2	Additional investment made after acquisition		
3.	Capitalized deferred interest and other		
4.	Accrual of discount		
5.	Unrealized valuation increase (decrease)		
6.	Total gain (loss) on disposals		
7.	Deduct amounts received on disposals		
8.	Deduct amortization of premium and depreciation		
9.	Total foreign exchange change in book/adjusted carrying value		
10.	Deduct current year's other than temporary impairment recognized		
11.	Book/adjusted carrying value at end of current period (Lines 1 + 2 + 3 + 4 + 5 + 6 - 7 - 8 + 9 - 10)		
12.	Deduct total nonadmitted amounts		
13.	Statement value at end of current period (Line 11 minus Line 12)		

SCHEDULE D - VERIFICATION

Bonds and Stocks

Bonds and Stocks		1	2
		Year To Date	Prior Year Ended December 31
1.	Book/adjusted carrying value of bonds and stocks, December 31 of prior year	996,479	998,579
2.	Cost of bonds and stocks acquired		750,000
3.	Accrual of discount		
4.	Unrealized valuation increase (decrease)	6,142	(3,100)
5.	Total gain (loss) on disposals		
6.	Deduct consideration for bonds and stocks disposed of		749,000
7.	Deduct amortization of premium		
8.	Total foreign exchange change in book/adjusted carrying value		
9.	Deduct current year's other than temporary impairment recognized		
10.	Book/adjusted carrying value at end of current period (Lines 1 + 2 + 3 + 4 + 5 - 6 - 7 + 8 - 9)	1,002,621	996,479
11.	Deduct total nonadmitted amounts		
12.	Statement value at end of current period (Line 10 minus Line 11)	1,002,621	996,479

QSI02

SCHEDULE D - PART 1B
Showing the Acquisitions, Dispositions and Non-Trading Activity
During the Current Quarter for all Bonds and Preferred Stock by NAIC Designation

NAIC Designation	1 Book/Adjusted Carrying Value Beginning of Current Quarter	2 Acquisitions During Current Quarter	3 Dispositions During Current Quarter	4 Non-Trading Activity During Current Quarter	5 Book/Adjusted Carrying Value End of First Quarter	6 Book/Adjusted Carrying Value End of Second Quarter	7 Book/Adjusted Carrying Value End of Third Quarter	8 Book/Adjusted Carrying Value December 31 Prior Year
BONDS								
1. NAIC 1 (a)	2,553,742	768,417	2,013,500	(177)	1,817,342	2,553,742	1,308,482	1,558,050
2. NAIC 2 (a)								
3. NAIC 3 (a)								
4. NAIC 4 (a)								
5. NAIC 5 (a)								
6. NAIC 6 (a)								
7. Total Bonds	2,553,742	768,417	2,013,500	(177)	1,817,342	2,553,742	1,308,482	1,558,050
PREFERRED STOCK								
8. NAIC 1								
9. NAIC 2								
10. NAIC 3								
11. NAIC 4								
12. NAIC 5								
13. NAIC 6								
14. Total Preferred Stock								
15. Total Bonds & Preferred Stock	2,553,742	768,417	2,013,500	(177)	1,817,342	2,553,742	1,308,482	1,558,050

(a) Book/Adjusted Carrying Value column for the end of the current reporting period includes the following amount of non-rated short-term and cash equivalent bonds by NAIC designation: NAIC 1 \$.....0; NAIC 2 \$.....0; NAIC 3 \$.....0; NAIC 4 \$.....0; NAIC 5 \$.....0; NAIC 6 \$.....0

SCHEDULE DA - PART 1

Short - Term Investments

	1 Book/Adjusted Carrying Value	2 Par Value	3 Actual Cost	4 Interest Collected Year To Date	5 Paid for Accrued Interest Year To Date
9199999. Totals	305,861	X X X	305,861	1,629	

SCHEDULE DA - Verification

Short-Term Investments

		1 Year To Date	2 Prior Year Ended December 31
1.	Book/adjusted carrying value, December 31 of prior year	561,571	22,046
2.	Cost of short-term investments acquired	3,757,790	5,276,723
3.	Accrual of discount		
4.	Unrealized valuation increase (decrease)		
5.	Total gain (loss) on disposals		
6.	Deduct consideration received on disposals	4,013,500	4,737,198
7.	Deduct amortization of premium		
8.	Total foreign exchange change in book/adjusted carrying value		
9.	Deduct current year's other than temporary impairment recognized		
10.	Book/adjusted carrying value at end of current period (Lines 1 + 2 + 3 + 4 + 5 - 6 - 7 + 8 - 9)	305,861	561,571
11.	Deduct total nonadmitted amounts		
12.	Statement value at end of current period (Line 10 minus Line 11)	305,861	561,571

SI04 Schedule DB - Part A Verification NONE

SI04 Schedule DB - Part B Verification NONE

SI05 Schedule DB Part C Section 1 NONE

SI06 Schedule DB Part C Section 2 NONE

SI07 Schedule DB - Verification NONE

SI08 Schedule E - Verification (Cash Equivalents) NONE

E01	Schedule A Part 2	NONE
E01	Schedule A Part 3	NONE
E02	Schedule B Part 2	NONE
E02	Schedule B Part 3	NONE
E03	Schedule BA Part 2	NONE
E03	Schedule BA Part 3	NONE
E04	Schedule D Part 3	NONE
E05	Schedule D Part 4	NONE
E06	Schedule DB Part A Section 1	NONE
E07	Schedule DB Part B Section 1	NONE
E08	Schedule DB Part D Section 1	NONE
E09	Schedule DB Part D Section 2 - Collateral Pledged By Reporting Entity	NONE
E09	Schedule DB Part D Section 2 - Collateral Pledged To Reporting Entity	NONE
E10	Schedule DL - Part 1 - Securities Lending Collateral Assets	NONE
E11	Schedule DL - Part 2 - Securities Lending Collateral Assets	NONE

SCHEDULE E - PART 1 - CASH

Month End Depository Balances										
1			2	3	4	5	Book Balance at End of Each Month			9
Depository			Code	Rate of Interest	Amount of Interest Received During Current Quarter	Amount of Interest Accrued at Current Statement Date	During Current Quarter			*
							6	7	8	
							First Month	Second Month	Third Month	
open depositories										
FIRST INDEPENDENCE										
NAT'L BANK	FINB						1,000	1,000	1,000	X X X
COMERICA BANK	Comerica Bank			0.360	28,952	7,682	39,451,991	38,457,976	36,616,872	X X X
Bank Of America	Bank Of America						126,527	22,642	666,453	X X X
Armstrong Bank	FINB - CDARS	06/22/2017		0.800		534	243,500	243,500	243,500	X X X
Bank of Belleville	FINB - CDARS	06/22/2017		0.800		535	243,500	243,500	243,500	X X X
Bank of North Carolina	FINB - CDARS	06/22/2017		0.800		534	243,500	243,500	243,500	X X X
Broadway Federal Bank, f.s.b.	FINB - CDARS	06/22/2017		0.800		535	243,500	243,500	243,500	X X X
Carver Federal Savings Bank	FINB - CDARS	06/22/2017		0.800		534	243,500	243,500	243,500	X X X
Citizens National Bank	FINB - CDARS	06/22/2017		0.800		535	243,500	243,500	243,500	X X X
Citizens Savings Bank and Trust Co.	FINB - CDARS	06/22/2017		0.800		534	243,500	243,500	243,500	X X X
Crestmark Bank	FINB - CDARS	06/22/2017		0.800		535	243,500	243,500	243,500	X X X
Customers Bank	FINB - CDARS	06/22/2017		0.800		534	243,500	243,500	243,500	X X X
East West Bank	FINB - CDARS	06/22/2017		0.800		535	243,500	243,500	243,500	X X X
First NBC Bank	FINB - CDARS	06/22/2017		0.800		534	243,500	243,500	243,500	X X X
Five Star Bank	FINB - CDARS	06/22/2017		0.800		535	243,500	243,500	243,500	X X X
Georgia Banking Company	FINB - CDARS	06/22/2017		0.800		534	243,500	243,500	243,500	X X X
Hawthorn Bank	FINB - CDARS	06/22/2017		0.800		535	243,500	243,500	243,500	X X X
Independence Bank	FINB - CDARS	06/22/2017		0.800		534	243,500	243,500	243,500	X X X
John Marshall Bank	FINB - CDARS	06/22/2017		0.800		535	243,500	243,500	243,500	X X X
Legacy Bank	FINB - CDARS	06/22/2017		0.800		534	243,500	243,500	243,500	X X X
Malaga Bank F.S.B.	FINB - CDARS	06/22/2017		0.800		242	110,172	110,172	110,172	X X X
Northwest Community Bank	FINB - CDARS	06/22/2017		0.800		534	243,500	243,500	243,500	X X X
Republic Bank Az, N.A.	FINB - CDARS	06/22/2017		0.800		534	243,500	243,500	243,500	X X X
Rhineback Bank	FINB - CDARS	06/22/2017		0.800		534	243,500	243,500	243,500	X X X
Select Bank & Trust Co	FINB - CDARS	06/22/2017		0.800		534	243,500	243,500	243,500	X X X
Spirit Bank	FINB - CDARS	06/22/2017		0.800		534	243,500	243,500	243,500	X X X
Sunshine Bank	FINB - CDARS	06/22/2017		0.800		534	243,500	243,500	243,500	X X X
The Farmers & Merchants Bank	FINB - CDARS	06/22/2017		0.800		534	243,500	243,500	243,500	X X X
The Park National Bank	FINB - CDARS	06/22/2017		0.800		34	15,328	15,328	15,328	X X X
Treynor State Bank	FINB - CDARS	06/22/2017		0.800		534	243,500	243,500	243,500	X X X
TriState Capital Bank	FINB - CDARS	06/22/2017		0.800		534	243,500	243,500	243,500	X X X
Western Alliance Bank	FINB - CDARS	06/22/2017		0.800		534	243,500	243,500	243,500	X X X
Ally Bk Midvale Utah .45%	Comerica Bank	07/22/2016		0.450	845					X X X
BMO Harris Bk Natl Assn Chicago .40%	Comerica Bank	07/21/2016		0.400	751					X X X
Bank India New York BRH .65%	Comerica Bank	10/26/2016		0.650		1,496	250,052	250,042	250,020	X X X
Community Bk Chesapeake Waldorf .35%	Comerica Bank	08/05/2016		0.350	144		250,000			X X X
Beal Bk SSB Plano Tex .50%	Comerica Bank	12/28/2016		0.500		634	250,000	250,000	250,005	X X X
Beal Bk USA Las Vegas Nev .50%	Comerica Bank	12/28/2016		0.500		634	250,000	250,000	250,005	X X X
Level One Bk Farmington Hill MI .50%	Comerica Bank	12/19/2016		0.500	314	48	250,160	250,000	250,010	X X X
NBC Okla Okla City Okla .55%	Comerica Bank	12/23/2016		0.550	347	30	250,165	250,125	250,100	X X X
Homestreet Bk Seattle Wash .50%	Comerica Bank	02/13/2017		0.500	315	123	250,182	250,192	250,160	X X X
Bank Of Mo Perryville .60%	Comerica Bank	03/31/2017		0.600		505	250,112	250,127	250,132	X X X
Safra Natl Bk New York CTF .55%	Comerica Bank	02/06/2017		0.550		565	249,993	250,040	250,030	X X X
Z B N A Instl CTF .50%	Comerica Bank	01/24/2017		0.500		445	249,423	249,545	249,995	X X X
Bank of China New York CityBRH .65%	Comerica Bank	04/20/2017		0.650		325	250,005	250,028	250,050	X X X
First Natl Bk Omaha .65%	Comerica Bank	04/27/2017		0.650		294	250,020	250,035	250,057	X X X
Merrick Bk South Jordan Utah .65%	Comerica Bank	04/19/2017		0.650	276	53	249,988	250,013	250,037	X X X
Mizuho Bk USA Instl Ctf .65%	Comerica Bank	04/20/2017		0.650		325	248,990	249,058	249,113	X X X
Santander Bk Natl Assn Wilmington .70%	Comerica Bank	04/20/2017		0.700		350	250,005	250,025	250,050	X X X
Wex Bk Midvale Utah .70%	Comerica Bank	04/28/2017		0.700		307	250,020	250,035	250,058	X X X
Fidelity Bk Norcross Ga .70%	Comerica Bank	08/23/2017		0.700		38			250,028	X X X
First Finl Bk Hamilton Oh .70%	Comerica Bank	06/21/2017		0.700		48			250,023	X X X
0199998 Deposits in .....0 depositories that do not exceed the allowable limit in any one depository (see Instructions) - open depositories			X X X	X X X						X X X
0199999 Totals - Open Depositories			X X X	X X X	31,944	28,604	50,278,633	48,930,883	48,234,198	X X X
0299998 Deposits in .....0 depositories that do not exceed the allowable limit in any one depository (see Instructions) - suspended depositories			X X X	X X X						X X X
0299999 Totals - Suspended Depositories			X X X	X X X						X X X
0399999 Total Cash On Deposit			X X X	X X X	31,944	28,604	50,278,633	48,930,883	48,234,198	X X X
0499999 Cash in Company's Office			X X X	X X X	X X X	X X X				X X X
0599999 Total Cash			X X X	X X X	31,944	28,604	50,278,633	48,930,883	48,234,198	X X X

SCHEDULE E - PART 2 - CASH EQUIVALENTS

Show Investments Owned End of Current Quarter

1	2	3	4	5	6	7	8
Description	Code	Date Acquired	Rate of Interest	Maturity Date	Book/Adjusted Carrying Value	Amount of Interest Due & Accrued	Amount Received During Year
<div>NONE</div>							
8699999 Total - Cash Equivalents

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